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Item 7 of the provisional agenda

REPORT OF THE INDUSTRIAL DEVELOPMENT BOARD ON THE WORK OF PART ONE OF ITS EIGHTEENTH SESSION

12 September 1997

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Introduction

1. The report of the Industrial Development Board on part one of the work of its eighteenth session is presented to the General Conference in accordance with Article 9.4 (c) of the Constitution. The summary records of the session (IDB.18/SR.1-2), where details of the proceedings are contained, form an integral part of the present report.

2. The decision adopted by the Board at its eighteenth session, reproduced in annex I, calls for action by the General Conference at its seventh session:

IDB.18/Dec.1 Recommendation of a candidate for the post of Director-General

3. Part one of the eighteenth session of the Board was held at UNIDO Headquarters, Vienna International Centre, on 12 September 1997 (2 plenary meetings—see IDB.18/SR.1-2).

I. ORGANIZATIONAL AND PROCEDURAL MATTERS

4. Part one of the eighteenth session of the Board was declared open by the President of the seventeenth session, Mr. I. Posta (Hungary).

Officers of part one of the eighteenth session

5. In accordance with rule 24.2 of its rules of procedure, Mr. H. Wohlk (Denmark) was elected as Vice-President to succeed Mr. J. R. H. Bøjer (Denmark), who had left Vienna.

6. In accordance with rule 23 of its rules of procedure, the other officers of the Board were those elected at the commencement of the first regular session in 1997: Mr. A. Velazco San José (Cuba), Mr. A. A. Halim Mohamed (Sudan) as Vice-Presidents and Mr. A. R. Tootoonchian (Islamic Republic of Iran) as Rapporteur.

Agenda

1. Opening of the session.
2. Adoption of the agenda.
3. Recommendation of a candidate for the post of Director-General.
*4. Report of the Programme and Budget Committee:
   (a) Scale of assessments;
   (b) Interim financial performance report and programme performance report for the biennium 1996-1997;
   (c) Programme and budgets, 1998-1999;
   (d) Financial regulations and financial rules;
   (e) Working Capital Fund;
   (f) Appointment of an External Auditor;
   (g) Financial situation of UNIDO;
   (h) Industrial Development Fund and other voluntary contributions;
   (i) Withdrawal of the United States of America.
*5. Future role and functions of UNIDO.
*6. Preparations for the seventh session of the General Conference.
*7. International Centre for Science and High Technology.**
*8. Provisional agenda and date of the nineteenth session.
*9. Adoption of the report.
*10. Closure of the session.

Participation

7. The following 51 of the 53 members of the Board were represented at the session: Algeria, Argentina, Austria, Belgium, Brazil, Bulgaria, China, Colombia, Côte d'Ivoire, Cuba, Denmark, Ecuador, Egypt, France, Germany, Ghana, Greece, Hungary, India, Indonesia, Iran (Islamic Republic of), Italy, Japan, Kenya, Lebanon, Mexico, Morocco, Netherlands, Nicaragua, Nigeria, Pakistan, Paraguay, Peru, Philippines, Poland, Portugal, Qatar, Republic of Korea, Romania, Russian Federation, Saudi Arabia, Spain, Sudan, Sweden, Switzerland, Tunisia, Turkey, Uganda, United Arab Emirates, United Kingdom of Great Britain and Northern Ireland and Zambia.

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* Items to be considered during resumed eighteenth session, to be held during the week of 17 to 21 November 1997 (IDB.17/Dec.10).

** Supplementary item proposed by one Member State in accordance with rule 12 of the rules of procedure of the Board. For the supporting statement, see document IDB.18/16.

8. The following 45 Member States of UNIDO also participated in the session: Angola, Australia, Azerbaijan, Bangladesh, Belarus, Bolivia, Bosnia and Herzegovina, Chile, Costa Rica, Croatia, Cyprus, Czech Republic, Democratic People's Republic of Korea, Ethiopia, Finland, Gabon, Guatemala, Haiti, Iraq, Ireland, Jordan, Kazakhstan, Kuwait, Kyrgyzstan, Lesotho, Liberia, Libyan Arab Jamahiriya, Luxembourg, Madagascar, Malaysia, New Zealand, Norway, Oman, Panama, Republic of Moldova, Slovakia, Slovenia, Sri Lanka, Thailand, the former Yugoslav Republic of Macedonia, Ukraine, Uruguay, Venezuela, Yemen and Zimbabwe.

9. The Holy See participated as observer.

10. The Permanent Observer of Palestine also participated.

11. The following United Nations bodies were represented: Economic Commission for Africa, United Nations Development Programme and United Nations Office at Vienna.

12. The following specialized agencies were represented: United Nations Educational, Scientific and Cultural Organization and World Health Organization.

13. The following intergovernmental organizations were represented: International Organization for Migration, League of Arab States and Organization of African Unity.

14. The following non-governmental organizations were represented: Austrian Society for Environment and Technology, European Union of Public Relations, International Confederation of Free Trade Unions, International Organisation of Employers and World Association for Small and Medium Enterprises.

II. RECOMMENDATION OF A CANDIDATE FOR THE POST OF DIRECTOR-GENERAL

15. The Board had before it a note by the Secretariat on the appointment of the Director-General (IDB.18/6). In accordance with rule 61 of its rules of procedure, the Board considered in private meetings the nominations for the post of Director-General. The Board considered a draft decision submitted by the President (IDB.18/L.2) and adopted decision IDB.18/Dec.1 (see annex I).

16. The Board also had before it a note by the Secretariat containing a draft contract for the appointment of the Director-General (IDB.18/7). The Board considered a draft decision submitted by the President (IDB.18/L.3) and decided to consider the matter at its resumed eighteenth session. The debate on the subject is reflected in summary record IDB.18/SR.2, paragraphs 3 to 6.

III. ADOPTION OF THE REPORT AND SUSPENSION OF PART ONE OF THE EIGHTEENTH SESSION

17. The Board entrusted the Rapporteur with the task of finalizing the report (see summary record IDB.18/SR.2, paras. 13-14), and suspended its eighteenth session on 12 September 1997 at 6.30 p.m.

Annex I

DECISION ADOPTED BY THE BOARD AT PART ONE OF ITS EIGHTEENTH SESSION

IDB.18/Dec.1 RECOMMENDATION OF A CANDIDATE FOR THE POST OF DIRECTOR-GENERAL

The Industrial Development Board, acting in accordance with Article 11.2 of the Constitution, decided to recommend to the General Conference the appointment of Mr. Carlos Alfredo Magariños as Director-General of UNIDO for a period of four years from 8 December 1997 or until the Director-General appointed at the ninth regular session of the General Conference assumes office, whichever is later.

2nd plenary meeting
12 September 1997

Annex II

DOCUMENTS SUBMITTED TO THE BOARD AT ITS EIGHTEENTH SESSION

Symbol	Agenda item	Title
IDB.18/1/Rev.1	2	Provisional agenda
IDB.18/1/Add.1	2	Annotated provisional agenda
IDB.18/2	9	Report of the Programme and Budget Committee on the work of its thirteenth session
IDB.18/3-PBC.13/3	4 (g)	Report of the External Auditor on the interim accounts of the United Nations Industrial Development Organization and of the Industrial Development Fund for the first year of the fiscal period 1996-1997 ended 31 December 1996
IDB.18/4-PBC.13/4	4 (b)	Interim financial performance report for the biennium 1996-1997. Submitted by the Director-General
IDB.18/5-PBC.13/5	4 (g)	Intersessional open-ended discussion group to study applicable measures to expedite timely payment of assessed contributions. Report of the Chairman (H.E. Mr. S.K. Lee, Republic of Korea)
IDB.18/6 and Add.1	3	Recommendation of a candidate for the post of Director-General. Note by the Secretariat
IDB.18/7	3	Draft contract for appointment of the Director-General. Note by the Secretariat
IDB.18/8-PBC.13/6	4 (d)	Intersessional working group on proposed amendments to the financial regulations. Report of the Chairman (H.E. Mr. F. Mayrhofer-Grünbühel, Austria)
IDB.18/9-PBC.13/7	4 (h)	Industrial Development Fund and other voluntary contributions. Report by the Director-General
IDB.18/10-PBC.13/8	4 (e)	Working Capital Fund for the biennium 1998-1999. Proposals by the Director-General
IDB.18/11-PBC.13/9	4 (i)	Issues arising from the withdrawal of the United States. Report by the Director-General
IDB.18/12-PBC.13/11	4 (d)	Amendments to the financial rules. Report by the Director-General
IDB.18/13-PBC.13/12	4 (a)	Scale of assessments for the fiscal period 1998-1999. Note by the Secretariat
IDB.18/14-PBC.13/13	4 (g)	Financial situation of UNIDO. Report by the Director-General

Symbol	Agenda item	Title
IDB.18/15/1-PBC.13/14/1	4 (c)	Programme and budgets, 1998-1999. Indicative 10 per cent budget reduction. Proposals by the Director-General
IDB.18/15/2-PBC.13/14/2	4 (c)	Programme and budgets, 1998-1999. Indicative 20 per cent budget reduction. Proposals by the Director-General
IDB.18/15/3-PBC.13/14/3	4 (c)	Programme and budgets, 1998-1999. Indicative 30 per cent budget reduction. Proposals by the Director-General
IDB.18/15/4-PBC.13/14/4	4 (c)	Programme and budgets, 1998-1999. Programmatic and policy implications of the indicative budget reduction proposals. Submitted by the Director-General
IDB.18/15/5-PBC.13/14/5	4 (c)	Programme and budgets, 1998-1999. Personnel and financial implications of the indicative budget reduction proposals. Submitted by the Director-General
IDB.18/16	7	International Centre for Science and High Technology. Note by the Director-General
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IDB.18/CRP.1	-	List of participants